

Decision 02-07-024 July 17, 2002

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of OCMC, Inc. for Authority to
Acquire Assets of One Call Communications, Inc.
(U-5226-C) Pursuant to California Public Utilities
Code Section 851.

Application 02-04-032
(Filed April 18, 2002)

**OPINION GRANTING AUTHORITY
FOR ACQUISITION OF ASSETS AND TRANSFER OF
CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**

Summary

Pursuant to Pub. Util. Code § 851, we approve the acquisition by OCMC, Inc. (OCMC), an Indiana corporation authorized to do business in California, of the assets and customer base of One Call Communications, Inc. (One Call), and the transfer to OCMC of One Call's certificate of public convenience and necessity (CPCN) to provide interexchange services. Application (A.) 02-04-032 is closed.

Background

One Call has a CPCN to provide interexchange services as a reseller pursuant to Decision (D.) 90-11-028 (November 9, 1990). OCMC is a newly organized Indiana corporation created by One Call's current management for the purpose of acquiring One Call's assets and customer base. According to the application Larry Dunnigan, One Call's sole shareholder, desires to sell the entire company to OCMC and exit the telecommunications business altogether. In short, the proposed transition is an employee buyout, and the existing

management intends to continue the business of One Call without material change.

One Call and OCMC jointly filed this application for approval of the sale pursuant to Pub. Util. Code § 851. That statute requires Commission authorization before a public utility may convey its property to another entity. Where the acquiring entity does not have a CPCN, we evaluate the request as we would if an applicant were seeking a CPCN for the first time.

There were no protests filed in response to the application, and we therefore decide it as an *ex parte* matter.

Discussion

The proposed transaction that occasioned this request is essentially one of form only. The new owners will operate OCMC in the same manner as One Call, utilizing the same fictitious business names, without any change in the services provided to subscribers. The same management will continue to operate the new company. Although the transaction will be transparent to customers, One Call will provide written notice of the change to its subscribers.

Exhibit (Ex.) A to the Application sets forth the biographies and qualifications of members of the OCMC management. As these are the same managers who have been operating Once Call successfully up to this time, we do not need to dwell upon their qualifications. We find that OCMC has the requisite expertise to assume responsibility for providing the services.

OCMC's pro forma balance sheet (Ex. E) was filed under seal and will remain confidential under the terms of our protective order. The financial information set forth in Ex. E demonstrates that when the sale and purchase are completed, OCMC will have the cash or cash equivalent necessary to continue the provision of services without interruption, and we so find.

We will approve the application subject to the terms and conditions set forth in our Order.

This is an uncontested matter in which the decision grants the relief requested. Accordingly, pursuant to Section 311(g)(2) of the Public Utilities Code, the otherwise applicable 30-day period for public review and comment is being waived.

Findings of Fact

1. One Call holds a CPCN as a reseller of the communications under D.90-11-028. Its utility identification number is U-5226-C.
2. OCMC is operationally fit to provide the telecommunications services were being provided by One Call.
3. OCMC is financially fit to provide the telecommunications services now being provided by One Call.

Conclusion of Law

The joint application should be approved, subject to the terms and conditions set forth in our order.

O R D E R

IT IS ORDERED that:

1. The joint application of OCMC, Inc. (OCMC), and One Call Communications, Inc. (One Call), for approval for OCMC to acquire the assets and customer base of One Call, and for One Call to transfer to OCMC its certificate of public convenience and necessity to provide interexchange services, is granted, subject to the following terms and conditions.
2. OCMC shall provide advance notice of the transfer under this order in substantially the form set forth in Exhibit D to the Application.

3. OCMC and One Call shall notify the Director of the Commission's Telecommunications Division in writing of the transfer of operating authority, as authorized herein, within 10 days of the date of consummation of such transfer.

A true copy of the instruments of transfer shall be attached to the notification.

4. OCMC and One Call shall make all books and records available for review and inspection upon Commission staff request.

5. The certificate of public convenience and necessity granted to One Call in Decision 90-11-028 will transfer to OCMC upon consummation of the transaction, and OCMC is authorized to continue use of the utility identification number U-5226-C.

6. Upon consummation of the transaction, One Call shall have no further public utility obligations in connection with the authority transferred in this application.

7. The authority granted herein shall expire if not exercised within one year of the date of this order.

8. Application 02-04-032 is closed.

This order is effective today.

Dated July 17, 2002, at San Francisco, California.

LORETTA M. LYNCH
President
HENRY M. DUQUE
CARL W. WOOD
GEOFFREY F. BROWN
MICHAEL R. PEEVEY
Commissioners